

CITY OF SAN DIEGO

**REAL ESTATE ASSETS
1200 Third Avenue, Suite 1700
San Diego, CA 92101-4195**

REQUEST FOR PROPOSAL

Subject: Kayak Concessions

**FOR CONSIDERATION AS A RESPONSIVE PROPOSAL, THE FOLLOWING
INFORMATION (as specifically described in the RFP) IS REQUIRED:**

- 1) Description of Proposed Operations (see page 5)**
- 2) Resume/Summary of Proposer's Experience**
- 3) References**
- 4) Financial Statements or Tax returns for the last three (3) years signed
by Proposer and Financial Representative**
- 5) Credit Information**
- 6) Summary of Employees Qualifications**
- 7) Emergency Response Plan**
- 8) Community Service**
- 9) Deposit (cashier's or certified check \$2,500 payable to City Treasurer)**
- 10) This cover page must be signed with an original signature**
- 11) Proposal must be submitted on or before the exact closing date and
time. Proposal received after the exact closing date and time will
NOT be considered.**

Company _____

Name _____

[PRINT OR TYPE]

Federal Tax I.D. No. _____

City of San Diego Business License #: _____

Signature _____

Street Address _____

City _____

Title _____

State _____ Zip Code _____

Date _____

Tel. No. _____ Fax No. _____

**THE CITY OF SAN DIEGO
REQUEST FOR PROPOSALS FOR
KAYAK CONCESSIONS**

A BACKGROUND

1. Purpose.

- a. The CITY of San Diego (“CITY”) is issuing a Request for Proposals (RFP) from qualified persons or companies to operate Kayak Concessions (“Concessions”) at La Jolla Shores public boat launch ramp (see Exhibit “A”). The public boat launch ramp is used not only by commercial kayak operators but also by small boat owners, sport fishermen and individual kayakers for personal recreational use. Over the past several years the number of kayaks used by commercial operators has increased dramatically. Concerns have been expressed regarding water safety, congestion at the boat launch ramp and vehicle and pedestrian congestion on Avenida de la Playa.
- b. The purpose of this RFP is to select qualified companies to conduct Kayak Concessions at La Jolla Shores. Concession Agreements (“Agreements”) will be executed with each of the selected operators for a one-year period with two additional one-year options.

2. Description of Operations/RFP Process.

- a. To ensure a safe and pleasant environment for residents and tourists, weekend kayak operations during the peak summer season (June 13 through September 1, plus Labor Day) will be limited in size and number.
- b. A Kayak Tour Plan (Plan) has been developed to distribute available tour slots for weekends in the peak summer season to selected operators. The Plan includes a written weekend tour schedule that identifies fifty-four (54) total tours per day (each Saturday and Sunday) to be distributed amongst selected operators. There will be forty-four (44) one and one-half hour (1 ½) tours available and ten (10) additional tours of up to two and one-half (2 ½) hours. There are a total of twelve (12) weekends in the summer, plus Labor Day, and no operations are allowed on the 4th of July holiday.
- c. The number of weekend slots awarded to each operator will be based upon a number of factors including but not limited to (1) the rank order of the proposer’s response to the RFP (2) the number of slots requested in the operating plan and (3) historical usage (if any). The selected operators will meet or exceed minimum criteria in the RFP to be considered eligible.

- d. The weekend Tour Schedule (Exhibit B) is attached. The CITY reserves the right to allocate specific time slots as part of the RFP process. If the CITY does not allocate time slots then the method for allocating the time slots will be to utilize a draft similar to one used in sports.
- e. Draft and Lottery: A board with the 54 time slots will be posted; from this the draft will be conducted. A draft order will be created from the operators selected through the RFP process. The draft order for all the operators will be determined by a lottery. Beginning with the operator who drew the first draft, each operator will select a time slot based on the draft order. The company with the last draft will begin the second round of time slot selections and the order will continue backwards through draft order. It has been noted that there are peak and non-peak time slots. Selected operators will receive a percentage of peak time slots based upon their ranking in the RFP and will have the opportunity to choose those slots in the lottery process.
- f. Kayak Rentals: Over the past several years Lifeguards have noted that a large percentage of safety issues have been related to rental kayaks. During Peak Season weekends selected tour operators will be permitted to rent no more than fifteen (15) kayaks to individuals (non-tour) at any one time.
- g. The CITY reserves the right to make changes to the tour schedule and/or the number of individual kayak rentals based on operational and safety considerations. Such changes could happen at any time or during any season (for example the CITY may limit the number of tours and/or rentals Monday through Friday and/or off season weekends). While the CITY will be providing continuous and ongoing quality control and review, we anticipate a major review to take place at the end of the 2009 summer season.
- h. Please review Exhibit C (attached) as it contains important additional operational requirements (Kayak Concession Requirements).

3. Maximum Days and Hours of Operation.

No Kayak Tour/Rental operations are permitted prior to 8 a.m. daily. Kayaks must not be deposited prior to 8 a.m. and must be removed from the designated storage area by 8:30 p.m. All Kayak tours are to be completed and out of the water 15 minutes before sunset daily. All operations are permitted seven days a week with the following exceptions.

Under no circumstances are Kayak tour/rental operations permitted on the 4th of July holiday.

4. Concession Requirements.

The CITY of San Diego's Lifeguard Services has established the **Kayak Concession Requirements attached as Exhibit C, which are to be strictly adhered to at all times.** Please carefully review Exhibit C prior to proposal submission. These requirements may be amended at any time by the CITY.

All business transactions must be conducted within licensee's storefront address. Concessionaire will meet tour participants inside of store and conduct all orientation/training inside of store or in the designated training area. Businesses must have adequate space to accommodate customer volume and kayak inventory. **In order to be considered for a Concession, the Proposer must demonstrate the ability to meet this requirement in the proposal.**

The CITY reserves the right to perform inspections and/or reviews with or without advanced notice. These inspections and/or reviews may be for any or all aspects related to the Concession Agreement, including but not limited to certificates and qualifications of tour guides; safety issues; adherence to a tour schedule; records pertaining to renters. Violation of any aspect of the Concession Agreement may result in suspension or revocation of the Agreement. With regard to safety, the CITY or any other officer with authority to enforce local, state or federal law, has the right to terminate any tour or individual kayak rental if there is a violation of safety requirements.

5. Consideration. Consideration shall be a percentage of gross income 8% ("Percentage Fee") against a guaranteed minimum annual fee ("Minimum Fee") of \$6,000.00.

- Percentage rents are a percentage of gross Kayak tour sales as further defined in the Concession Agreement attached as Exhibit D.
- The annual rent due is the greater of minimum rent or 8 % of gross sales. Minimum rents adjust annually to equal the greater of 80% of the previous year percentage rents or 105% of the previous year's minimum rent.

6. Form of Agreement.

A copy of the Agreement to be executed with the selected proposers is attached as Exhibit D. It is the intent of the CITY that this Agreement be implemented substantially as it is written. However, the CITY reserves the right to negotiate modifications with the selected proposers to the extent deemed necessary by the CITY. The Agreement should be thoroughly read and understood by the proposers prior to the submission of the proposal. Proposals requiring deviations

from the provisions of the attached Agreement should state the exact changes and specify alternate language in their proposals. Other factors being equal, the CITY will discount a proposal which requests major or numerous changes that are disadvantageous to the CITY.

7. Responsibility of Proposer.

The selected proposers will be required to obtain any other necessary approvals and permits at their sole cost. The award of an Agreement by the CITY is not a waiver of such requirements, which may include business licensing, and others. The operator shall be asked to submit evidence to the Real Estate Assets Department prior to commencing operations that they have obtained all necessary permits and licenses.

8. Tentative Proposal Timeline.

Opening Date – Issuance of RFP	October 14, 2008
Optional Pre-Proposal Meeting	October 20, 2008
Final Opportunity to Submit Questions	October 28, 2008
Closing Date for Receipt of Proposals	November 14, 2008
Selection of Proposers	November, 2008
Prepare and Execute Agreements	December, January 2008
Agreements Begin	Early 2009

Note: This timeline does not consider unforeseen factors that could impact the timing of this RFP. It is the intent of the CITY to keep proposers informed of changes in the timeline as they occur.

B PROPOSAL CONTENTS

1. General Requirements.

- a. All proposals must include, at a minimum, the information specified below. Failure to include this information will seriously detract from a proposal and may be cause for its rejection. The inclusion of any additional information, which will assist in the evaluation, is encouraged. The adequacy, depth, and clarity of the proposal will influence to a considerable degree its evaluation. The proposal submitted must be complete enough for a selection to be made from the material contained in it alone.

2. Specific Proposal Contents.

- a. **Proposed Agreement Term.** The maximum available term is one (1) year with two (2) 1-year options (total of three years). Provided that the Concessionaire is not in default of the Agreement, the original one-year term may be extended for two (2) one-year options. All options are subject to the mutual consent of the CITY and Concessionaire.
- b. **Description of Proposed Operations.** In your proposal, submit a detailed outline of the operation proposed to fulfill the requirements of the Agreement (“Operating Plan”). Your Operating Plan(s) should cover the period from June 1, 2009, through May 31, 2010.
 - A schedule of tours, total number of boats utilized in proposed operation, number of participants per tour, days and hours of operation, and a price list must be included. The Operating Plan(s) should also include a brief summary of the material covered during each tour offering. This material might include discussions on topics including marine life, coastal preservation, and water safety procedures.
 - **Peak Season Weekend tour slots will be limited in number and these weekend tours will be distributed among a number of operators. Provide information on both proposed future weekend operations as well as any historical weekend use. It is suggested that Peak Season Weekend operating plans be based on a range of 3-15 tours maximum per day. Reasonable requests will be given the higher ranking.**
 - Briefly describe how your business will demonstrate a partnership with the local community minimizing impacts on residents and businesses. For example, describe how your business will manage the flow of customer traffic, describe possible parking and/or shuttle plans for customers and employees.
 - Demonstrate space available to accommodate customer volume and kayak inventory.
 - Opt in/out of Peak Summer weekends: Prior to issuing the RFP existing operators were surveyed as to how many peak season weekend tours they conduct. If you elect to not operate during peak weekends (June 13 – Sept 1) please indicate this in your proposal.
- c. **Resume or Summary of Proposer’s Experience.** The proposal must include a detailed summary of the experience of the proposer. Emphasis should be placed on those areas and qualifications which evidence the capability to effectively manage an operation of this type.

- d. **References.** Include names, addresses, and telephone numbers of business and banking references. One or more references of clients for whom the proposer has recently provided similar services are recommended.
- e. **Financial Statements.** Provide the last 3 years of financial statements or tax returns specific to Kayak tours/rentals. Statements or tax returns must be signed by the operator and a qualified financial representative.
- List all assets and liabilities of the proposer, initial available operating capital and its source, and the amount of any borrowed capital proposed for the operation and its source and terms of repayment. Also, include a statement of estimated gross receipts and operating expenses for years 1-3 of the Concession Agreement.
 - **Audit.** The CITY, at its discretion, shall have the right to inspect and audit the business of Concessionaire, its agents, permittees, and licensees operating on, and in connection with, the Operation as necessary and appropriate for CITY to determine the amounts of Concession fees due CITY in compliance with the requirements of this Permit. As per the sample Concession Agreement, all Concessionaires' books of account, records, and supporting documentation will be kept for at least five (5) years and made available to CITY. These books and records must be maintained separately from all other accounts not relating to the Operation.
- f. **Credit Information.** Exhibit E must be completed and included as part of the proposal. The CITY will use this information to verify the proposer's creditworthiness. Other financial data may be required as determined by the CITY.
- g. **Summary of Employees' Qualifications.** Provide information regarding the personnel who will participate in carrying out the terms and conditions of the Agreement. In the event an individual has not been selected for a particular position at the time the proposal is submitted, provide a listing of the experience and qualifications that will be utilized in the selection process.
- h. **Emergency Response Plan.** An Emergency Response Plan which sufficiently demonstrates the proposer's preparedness to handle any potential emergencies that might occur in conjunction with implementing this Agreement.
- i. **Community Service.** Briefly describe (less than 150 words) how your operation would benefit the CITY and its residents. Include plans to be implemented under this proposal, as well as any past or current activities conducted by your organization. For example charitable donations of tours or rentals to disadvantaged youth, beach clean ups, etc.

C PRE-SUBMITTAL CONFERENCE

To provide the prospective proposers the opportunity to ask questions about the Agreement, proposal submittal, or related matters, a pre-submittal conference is scheduled from 1:00 p.m. to 3:00 p.m. on October 20th, 2008 in the Conference Room on the 4th floor located at 1200 Third Ave., San Diego, CA 92101. All proposers are strongly urged to attend.

D PROPOSAL SUBMISSION

1. Submittal of Proposals.

Proposals must be received at the address listed below no later than 3 p.m., November 14, 2008. Proposals received after that time will not be considered.

2. Delivery of Proposals.

The delivery of the proposal to the CITY prior to deadline is solely and strictly the responsibility of the proposer. The CITY will in no way be responsible for delays caused by the United States Postal Service or for delays caused by any other occurrence. Hand or mail deliver to:

CITY of San Diego
Real Estate Assets Department
1200 Third Avenue, Suite 1700
San Diego, CA 92101

Attention: April McCusker or Patti Phillips

3. Faithful Performance Deposit.

All proposals must include a cashier's check or certified check in an amount equal to two thousand five hundred dollars (\$2,500.00). The check should be payable to the CITY Treasurer as a faithful performance deposit to assure that, if the proposal is selected by the CITY, the proposer will enter in good faith into an Agreement containing substantially the same terms and conditions as set out in this RFP and in the selected proposal. No personal or company checks will be accepted, and no interest will be paid on deposits.

All performance deposits will be returned to unsuccessful proposers within 30 days of the approval of the selected proposers' Agreements. For the selected proposers, the deposit will apply towards the security deposit, or additional security deposit, under the Agreement. Should a selected proposer unilaterally withdraw from Agreement negotiations, the deposit will be forfeited to the CITY.

4. Number of Copies.

Proposers must submit one unbound original suitable for reproduction and six bound copies of their proposal. All materials submitted by proposers become the property of the CITY and may not be returned.

5. Requests for Interpretation or Clarification.

No interpretation or clarification of the RFP will be made to any proposer orally. If discrepancies or omissions are found by any prospective proposer, or there is doubt as to the true meaning of any part of the RFP, a written request for clarification or interpretation must be submitted in writing to the proposal delivery address in Section D2., or by e-mail to amccusker@saniego.gov.

To be given consideration, all requests must be received by 4 p.m. October 28, 2008.

The responses to questions will be posted on the CITY'S website at <http://www.sandiego.gov/real-estate-assets/>. It is the responsibility of the proposer to check the CITY'S website for any responses to requests for interpretation or clarification. Failure of any proposer to receive any such addendum shall not relieve the proposer from any obligation contained in this RFP.

E PROPOSAL EVALUATION

1. Evaluation Process.

Prospective proposers should bear in mind the competitive nature of the RFP process and that the CITY will evaluate the proposals as to which ones offer the best advantage to the CITY. The criteria listed below are not necessarily in order of importance, nor are they necessarily weighted equally. The CITY will be the sole judge of the proposals, and its decision is final.

2. Criteria for Selection

a. Proposals will be evaluated using the following criteria:

- i **Responsiveness.** The extent to which a proposal clearly addresses the elements of this RFP is a key factor in selection. A thorough, well-written response is essential.
- ii **Professional Experience.** The past experience of the proposer in successfully managing an operation of this type, and the proposer's

demonstrated ability to implement the components of this plan will be significant factors in proposal evaluation. **** Proposer should have at a minimum 3-years experience in the past 5 years operating a similar operation.**

- iii **Operating Plans.** The proposer's Operating Plan included in the response to this RFP will be evaluated based on the overall reasonableness of the Plan, the extent to which the Plan(s) comply with the requirements of this proposal, and the proposer's plan to minimize impacts of operations on the local community.
- iv **Financial Capability.** The proposer must exhibit the necessary financial responsibility and strength to successfully carry out the Concession operation for the term of the Agreement. The proposer must have the means to adequately staff the proposed Concession operation(s) and comply with all requirements of this Agreement.
- v **Safety Standards.** The proposer's Emergency Response Plan must sufficiently address any potential emergencies that might occur in connection with implementing this Agreement. Proposer's staff must possess the necessary certifications and be responsible for ensuring that the Concessionaire complies with all requirements included in attached Exhibit C, Kayak Concession Requirements. The Proposer's ability to successfully manage the safety of its operation will be evaluated.
- vi **Community Service.** The proposer's ability to contribute to the residents of the CITY of San Diego's enjoyment of CITY beach and boat launch. Will be evaluated based on overall and Site specific contributions.

3. Additional Information

The CITY reserves the right to request information from proposers beyond that specified in this Request for Proposals. Proposers may be requested to appear before an Evaluation Committee, although none is scheduled at this time. However, the CITY may make a selection based on the information contained in the proposals alone. Therefore, proposers are advised to submit thorough, complete proposals.

4. Qualification of Proposal

The RFP does not commit the CITY to award the Agreement or any work under the Agreement. The CITY will not assume any costs incurred in the preparation or submission of a proposal pursuant to this RFP. The CITY reserves the right to accept or reject any or all proposals received as a result of this RFP. The CITY

also reserves the right to revise the RFP, including, but not limited to, the submittal deadline. If the CITY revises the RFP, other than revisions or clarifications in accordance with Section IV.E., all RFP holders of record will be notified in writing by the CITY.

It is the policy of the CITY of San Diego to encourage equal opportunity in its professional service contracts. Toward this end, proposals from small businesses, disabled-owned businesses, women-owned businesses, and operations owned by African-Americans, Native Americans, Asian-Americans, Filipinos and Latinos, and local firms are strongly encouraged. Operators responding to this proposal are encouraged to joint venture with these firms. The CITY endeavors to do business with firms sharing the CITY'S commitment to equal opportunity and will not do business with any firm that discriminates on the basis of race, religion, color, ancestry, age, gender, sexual orientation, disability, medical condition, or place of birth.

F PUBLIC INFORMATION NOTICE

The CITY holds the names of the proposers and the contents of their proposals in confidence until after the proposal submission deadline has passed and the Agreements have been executed by the CITY Manager and approved by the CITY Attorney. At such time, all proposals become public records and will be available in the CITY'S Real Estate Assets Department ("READ") for inspection, except for certain excluded materials which are permanently confidential. These consist of personal financial statements and tax returns, Credit Information (Exhibit E), credit reports, and rating sheets and notes resulting from the evaluation process. Proposers are therefore, requested to submit the required financial statements on separate sheets.

Schedule of Exhibits to RFP

- A. Boat Launch Ramp (La Jolla Shores)
- B. Tour Schedule
- C. Kayak Concession Requirements
- D. Sample Concession Agreement
- E. Credit Information